

SECRET*Office Memorandum* • UNITED STATES GOVERNMENT

TO : General Counsel

DATE: 6 March 1951

FROM : Chief, Contract Branch

SUBJECT: Approval of Type of Contract Based on Retainer Fee

OGC HAS REVIEWED.

1. This office has been requested to prepare a contract with an engineering firm (partnership) for use of their consulting services. Unlike the use of consultants on a "per diem when actually employed" basis, it is desired to have this firm available at any time for consultation whether for a full day or merely to answer a question by telephone. This would require a contract paying the Contractor a flat retainer fee per month regardless of the extent to which his services were utilized, and possibly there might be a period of time where no call would be made on his services.

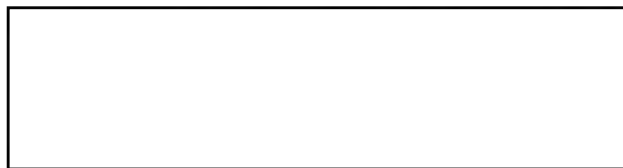
2. Since the ASPR's are silent on this form of contract and further, since no precedent for this type of contract appears to exist in this Agency, information is requested whether your office will interpose any objection to a contract providing for payment on the basis described herein.

3. As additional information, [] of Fiscal Division has investigated the matter from a payment standpoint. He advises that an inquiry to General Accounting Office reveals that they have no precedent for such a contract, up to this time.

25X1A

4. Since the technical division involved desires to utilize the services of this firm as soon as possible, your early reply will be appreciated.

25X1A

**SECRET**